

NOTE: The President spoke at 8:55 p.m. in the Museum of Jewish Heritage. In his remarks, he referred to Gay J. McDougall, executive director, International Human Rights Law Group, and candidate for membership on the U.N. Committee on the Elimination of Racial Discrimination; U.S. Ambassador to the United Nations Bill Richardson; Robert M. Morgenthau and David Altshuler, chairman of the board and director of the museum; and Minister of Foreign Affairs Hennadiy Udovenko of Ukraine, U.N. General Assembly President.

Remarks to the Bronx Community in New York City

December 10, 1997

Thank you. Carmen was great, wasn't she? Let's give her another hand. *[Applause]* I thought she was great. Thank you. Thank you, Genny Brooks, for your vision and for your persistence. Thank you, Paul Grogan, for your vision and your persistence. The whole approach of LISC was years and years and years ahead of Government, and what we have essentially tried to do is to get all of our Government policies to follow the model that LISC was based on all along, and we thank you.

I'd also like to acknowledge the presence here of three people from the city of New York who are very important now to the future of America: our brilliant HUD Secretary, Andrew Cuomo; the Administrator of the Small Business Administration, from Brooklyn, Aida Alvarez; and the Assistant to the President for Public Liaison—I don't know where she is, but she's from the Bronx—Maria Echaveste. Where are you, Maria? Thank you.

I also want to join in congratulating my good friend, your borough president, Freddie Ferrer, on Bronx being an All-American City. Stand up. *[Applause]* Thank you. I want to thank the deputy mayor for being here, and Senator Rosado and Assemblyman Diaz and the other members of the assembly and city council who are here. I'd like to thank the Boys and Girls Club—the boys and girls of Clara Barton School. I think they made this for me, and it's quite beautiful, isn't it? *[Applause]* And I thank the Madison Square Boys and Girls Club for hosting us.

I want to thank all the financial institutions who have helped, who were mentioned earlier. I understand that Frank Duma, the chairman of Bankers Trust, and Walter Shipley, the chairman and CEO of Chase Manhattan, are here.

I'd also like to say—you know, I got my little tour of Charlotte Street on the way up here and it was—to show you what a small world it is, it was given to me by the current president of the Mid-Bronx Desperadoes, Ralph Porter. And I want you to know that—to show you what a small place this is, he will probably have to testify about this now—*[laughter]*—we grew up in the same town in Arkansas, and his wife worked with my mother for many years in the hospital there. And when he came here, he decided to pitch in—instead of walk away—like the rest of you. And I appreciate that, what all of you have done.

Let me say, more than anything else I want to begin by thanking the people of the Bronx not only for the example you have set here but for the support that you have given to me and to the First Lady and to the Vice President so that we can continue to work to try to make this example real in the lives of people all over this city, all over this country, because my one message here is: Look at where the Bronx was when President Carter came here in despair. Look at where the Bronx was when President Reagan came here and compared it to London in the Blitz. And look at the Bronx today. If you can do it, everybody else can do it. And we are determined to see that it be done.

What we have got to do is to take what you have shown us works and help more neighborhoods all across America do it. And we have seen that this did not happen by accident. It happened, first and foremost, because of visionary, committed, determined leadership at the local level—people who just wanted a good life. Citizen leaders like Genny, citizens like Carmen said, this is not complicated; why shouldn't I be able to get married and have children in my hometown? Why shouldn't people be able to work there? Why shouldn't people be able to live in decent housing there? Why shouldn't our children be able to walk the streets there? Why

shouldn't our children be able to go to decent schools there? Why? There is no reason why.

They started by asking the right questions. And over time, they got the right answers. This didn't happen in a year or two. No single person can claim credit for it. But over time, you got it right. Now we have to take what you have done here, show the before and after—if I could have any wish out of this, it is not that my speech would be reported tonight on the evening news or in the press tomorrow; I would just like one thing. I would like for every single American to see before and after. And they would know.

And then I would like for them to say, "How did this happen?" and tell your story. Because what I have tried to do relentlessly for 5 years is to reorganize the National Government, to reinvent and reinvigorate it so that we would be organized in a way that would support what you have done.

When I became President, I had been a Governor for 12 years in a State that had a lot of the same problems that the South Bronx had. We never had an unemployment rate under the national average the whole time I was Governor, for 10 years, until I started running for President and a lot of things we had been working on began to manifest themselves.

But I know what it does to people, good people, if they think they can't live in decent housing, in strong neighborhoods, and grownups can't get up and go to a job that makes them proud in the daytime, and the kids can't get up and go to a school that makes them proud in the daytime, and they're scared going to and from work and school anyway. I know what that does to people, and it doesn't have to be that way.

And the debate that was going on in 1992 when I first came to the Bronx—and President Ferrar and I were reminiscing about it today—the debate that was going on in the country was a crazy debate. The debate was, one side said the Federal Government should do more just like we're doing it—give people money, but we know how in Washington they should live and what they ought to do, and put a lot of strings on it, have a lot of rules and regulations, set up a bureaucracy, and just pat people on the head and tell them we would take care of it. That didn't

work very well. Then there were other people who said the Government has messed it up so much, the Government is the problem; if we would just get out of the way and go home, everything would be hunky-dory. No money—this is really not a money problem at all.

One of my rules of politics over more than 20 years has been, if you ever hear a politician say it's not a money problem, he's talking about somebody else's problem. [Laughter] Then when you see a politician interested in an issue, all of a sudden it becomes a money problem when he's interested in it, or she is.

I say that because that was a phony debate. You can't have Government in Washington dictating the solution; you can't have Government in Washington sitting on the sidelines. Government has to be a partner and has to get it right. And what is getting it right? Getting it right is saying, there is nothing we can do for you you won't do for yourselves, but if you're willing to do for yourselves, we will give you the tools and help to create the conditions so that you can have the power to change your own lives. That is the right message.

And that is what we are trying to do. And we've worked at it hard for 5 years. That's what we've tried to do with HUD under Secretary Cuomo. That's what we've tried to do with the SBA under Aida Alvarez. That's what we've tried to do with our whole approach to law enforcement. And it is producing results, not by creating programs that foster dependency and not by looking the other way but by giving people the tools to create their own lives through empowerment and investment.

Now, that's what Charlotte Gardens represents to me. That's the picture I want America to see; that's the message I want America to get. There is an urban renaissance occurring all across America today, but we know we need to do more. Unemployment is still higher in many inner-city neighborhoods than it is in the country as a whole. Only a small percentage of the new jobs which have been created in this last boom—nearly 14 million now—only a small percentage of them have come in the inner-city neighborhoods.

That's why we want more empowerment zones like the one we have in Manhattan and the South Bronx, and why we want more of them around the country, why we want more enterprise communities, where if people will do what you've done here, we will give them more help.

And we're trying to do our part. We have reformed the Community Reinvestment Act, which basically says what guidelines there ought to be for reinvesting in areas that have been underinvested in; that brought \$270 billion in commitments from financial institutions to help people in distressed areas improve their communities. This is a little-known action of the Federal Government, the way we've changed the Community Reinvestment Act. That act has been on the books for 20 years. Seventy percent of all the money loaned under the Community Reinvestment Act in 20 years has been loaned in the last 5 years—7 times as much, on an annual basis, as before. I am very proud of that. And that's just as important—in fact, it is more important than the public tax dollars coming in.

We have got to get the private sector to look at people like you all over America and say, this is an opportunity. If people are underemployed, if they're underhoused, if we are underinvesting in them, that's where America's growth can come. That's where America's future is. We don't have a person to waste. We don't have a community to waste. We're trying to get the unemployment down more and the growth up higher. Go look for the people who have growth potential. That's what happened here, and that's what we have to do everywhere else in America.

We're helping to fund community development financial institutions. That's a fancy term for community banks that loan money to people that otherwise might not be able to get loans, but are good risks and honorable people and have good ideas for businesses. Your country has spent lots of money setting up these kinds of banks all over the world—all over the world. We spent money to try to help poor village women in places like Bangladesh get loans—hundreds of thousands of them. And yet there have only been a few communities in America that have aggressively adopted this philosophy. If it's

helping to revive people in countries that are a lot poorer than the South Bronx, then we ought to make those same kinds of institutions and that same kind of capital available to the American people to give them a chance to revive their fortunes.

Secretary Cuomo is modernizing HUD's Federal housing administration to make homeownership a reality. We now have two-thirds of the American people in their own homes for the first time in the history of the country, and we want to do better, and we can.

We did, as Genny said—one of the things that really has helped here is the low income housing tax credit. It gets people to invest for a tax credit to make housing more affordable and more available than it would otherwise be. Finally, in this last budget we made it permanent. You don't have to worry about whether Congress is going to do it now year-in and year-out, it is now a permanent part of the Tax Code, so that investors can know if they stake their future in neighborhoods like this one, that will be there. They know what the economic rules are and they don't have to worry about someone changing the rules in the middle of the game. And that has made a big difference as well.

One other thing I want to say—we also have to recognize that our country is going through a period of economic transition that every wealthy country in the world is facing, where there are relatively fewer low-skilled, good-wage jobs; relatively more low-skilled, low-wage jobs; but many more higher-skilled, high-wage jobs. Now, the most important thing we can do is to set up a system of lifetime training to give everybody access to continually improving their skills.

I live in Washington, DC. It breaks my heart when I drive around what is now my hometown and I see people who don't have work, and then I pick up the newspaper and read that in every county around Washington, DC, there is a vast shortage of technical workers. And businesses are constrained in their growth because they can't hire people because there is not anybody available that knows what they need. So we need to do that. And in the meanwhile, we need to do

what we can to improve the incomes of people who are working hard every day and doing their best.

That's why we raised the minimum wage; that's why we lowered income taxes on working families with incomes below \$30,000 and we doubled the earned-income tax credit—it amounts to about \$1,000 a year, a family, for a family with two kids with an income of under \$30,000. That's why we are doing what we can to expand health insurance to 5 million uninsured children in the last balanced budget bill, and why we provided a \$500-a-year tax credit per child to help working families on modest incomes actually raise their incomes by having the Government take less and provide more help to them for their children's health care. These things are important.

In the welfare reform bill—now, we had the welfare rolls go down by 3.8 million, but we left people with the guarantee of health care and nutrition for their kids, more money for child care. And now we've provided \$3 billion to cities like New York to try to make sure that there are public funds available for work for people if they're required to go to work and there are no private sector jobs.

All this is to help people through a transition, but the goal is to have everybody living in a place like this place, with a job and a neighborhood and a house and a school you can be proud of.

Finally, let me say—I was so glad to hear it mentioned earlier by Mr. Grogan—we can't get investments in the places that people don't think are safe. You cannot get people to invest money if people don't think it's safe. I'm trying to get people—I'm trying to make peace in the Middle East. You know, I've spent a lot of time on it. And you can't make—in the end there won't be any peace if those people don't have something to do. And 5 years ago, or over 4 years ago, I assembled 600 Arab-American and Jewish-American business people that said, "We will invest there when it's safe." Because there is no point in putting money in if it won't produce any result. Everyone understands that in the context of foreign policy. We must understand that here at home.

That's why we have—again, our whole law enforcement policy is a community

empowerment policy. The crime bill we passed in 1994, in effect, was written by police officers and community leaders and prosecutors and others who said, this is what we can do to lower the crime rate: put 100,000 more police on the street; give the kids something to do after school, give them something to do to stay out of trouble; take assault weapons off the street; don't sell guns to people with a criminal record. And we've had 5 years of declining crime in the country as a whole, the lowest crime rate in 24 years in the United States.

It has to be that way in every neighborhood. The lower you get the crime rate, the higher the investment will be, the more jobs there will be, the more opportunity there will be. I say that because we still have work to do. There are still too many of our kids getting in trouble. And I won't rest until we know that every single child has someplace to go and something positive to do when they get out of school. Most of the juvenile crime occurs after school.

Now, we have more to do. Let me just say a few things that I can say today that will affect the people in this room and throughout this city. We are going to release \$96 million to help create affordable housing here in New York through the Innovative Home Program, the same HUD program that helped to stimulate the revitalization we're celebrating today.

Second, Administrator Alvarez and the SBA have approved the Bronx Overall Economic Development Corporation as the first certified development company in New York. Here's what that means. It means that over the next 5 years, the Bronx Overall Economic Development Company—or BOEDC, I guess, is the way you say it—will make \$50 million worth of fixed-rate loans to small businesses in the Bronx to help them make the investments in building the machinery they need to succeed. Most of the new jobs in this country are being created by small business—\$50 million coming into the Bronx to help these folks stay in business, hire more people, and grow the economy right here in your backyard.

The third thing I am doing is to put \$45 million more in my next budget to expand the Community Development Financial

Bank, so we can make more loans to individuals who can start their own businesses or hire people to create an economy where very often there isn't one.

And, finally, let me say I am very pleased that LISC and the Enterprise Foundation have gotten another \$250 million in corporate investments to help build affordable housing in New York City over the next 3 years. Thank you all very much.

Now, what does all this mean? I'll say it one more time. There is nothing that can be done for any neighborhood that people will not do for themselves. But people who are willing to do for themselves deserve a hand up; they deserve a partner; they deserve a Government committed to giving them the tools they need to succeed. That's what empowerment is. A lot of people think it's a buzzword; it is not a buzzword. Come to the South Bronx if you want to see empowerment. Go down these streets if you want to see empowerment. Look at the Mid-Bronx Desperadoes if you want to see empowerment. That is what it means. It is not some funny word; it's about people taking control of their lives and building a better future for their children. That's what we're going to do together.

Thank you, and God bless you.

NOTE: The President spoke at 11:47 a.m. at the Madison Square Boys and Girls Club. In his remarks, he referred to Charlotte Gardens resident Carmen Ceballo, who introduced the President; Genevieve Brooks, deputy president, Borough of the Bronx; Paul S. Grogan, president and chief executive officer, Local Initiatives Support Corporation (LISC); Deputy Mayor Randy M. Mastro of New York City; New York State Senator David Rosado; New York State Assemblyman Ruben Diaz, Jr.; and Ralph Porter, executive director, Mid-Bronx Desperadoes, a local community development corporation.

**Remarks at a Democratic
Congressional Campaign Committee
Dinner in New York City
December 10, 1997**

Thank you very much. Thank you, Mr. Speaker. I thank Congressman Gephardt and Congressman Frost. Martin Frost is the most dogged person I know. Sometimes I show

up at these events just to get him to stop calling me. [Laughter] Most of the time I show up because I want to be here.

I thank Congressman Pallone and Engel and Congressman Maloney, and I think Congresswoman Lowey is here now. I thank them all for their wonderful leadership. Hello, Nita.

I'd like to say a special word of appreciation to the Secretary of Housing and Urban Development, Andrew Cuomo, from New York, who is doing a brilliant job. And I want to talk more about that in a minute. I thank my friend, James Taylor, for coming here to sing tonight. Two of the truly great evenings in my family's life together, our family life, have come in no small measure because of James Taylor. When we were vacationing on Martha's Vineyard on two different occasions we went sailing off Martha's Vineyard, and James Taylor was a member of the crew. Now, it wasn't such a great thing watching him work the ropes and the sails although that's truly impressive. But when we got to a calm sea, he sang for us, and with the stars out and the moon out and the water calm, it's something that none of us will ever forget. And it was a great gift we cannot repay, but we thank you for being a good man and a good friend and a good citizen of this country.

Let me try to explain very briefly what I think is going on in this country now, and ask you to remember where we are now as compared with where we were in 1992. We had a stagnant economy, increasing inequality. We seemed to be drifting toward the future. And the operative philosophy in this country for 12 years had been that problems were to be talked about but not very much was to be done about them; the deficit was to be decried, but it was okay if it got bigger—you just tried to blame the other person; and that, essentially, Government was the problem so it should sit on the sidelines.

Now, that was the governing philosophy. And for it we had to show a \$290 billion deficit, a high unemployment rate, and nothing done to address 20 years of wage stagnation in the middle class, a growing underclass, and a lot of profound challenges caused by the globalization of the economy and the society.